

# Watercraft

## Policy Wording

Preparation Date: 6<sup>th</sup> August 2017



The Youi New Zealand insurance portfolio was transferred by Youi NZ Pty Ltd to Tower Insurance Limited on 31 December 2019. Effective from 31 December 2019 policies are underwritten by Tower Insurance Limited, despite any other reference in this Policy Wording. All other terms in this Policy Wording continue to apply to existing Youi policies held at or before 31 December 2019 until those policies renew. If you have any enquiries or would like to know more, please contact Tower Insurance on 0800 009 684.

## User guide

This Policy Wording has been designed so that you can easily navigate the document:

- **Tabs (far right)**  
Click on each tab to take you specific sections of this Policy Wording.
- **Contents (opposite)**  
Click on the sub-headings to go to a specific page.
- **Product guide (overleaf)**  
Click on the sub-headings to go to a specific page.
- **Return to Contents (bottom)**  
Click on 'click here to go to contents page' to return to the contents page.
- **Previous (bottom left) and next (bottom right)**  
Click on either of these to move to the next page or to go back to the previous page.
- **Page thumbnails (top left)**  
Click on the thumbnails icon. Next, scroll through the thumbnail images and click on the image to go to a specific page.

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## Product guide

	Comprehensive	Third Party, Fire and Theft	Third Party Property Only
<ul style="list-style-type: none"> <li>● Covered</li> <li>○ Optional cover</li> <li>✗ Not covered</li> </ul>			
Accidental Damage	●	✗	✗
Intentional Damage	●	✗	✗
Storm or Flood	●	✗	✗
Fire	●	●	✗
Theft	●	●	✗
Earthquake	●	●	✗
Emergency Accommodation, Transport and Repairs	●	●	✗
Legal Liability and Reparation	●	●	●
Towing, Salvage and Loss Prevention	●	●	✗
Locks and Keys	●	●	✗
Contents	●	●	✗
Immediate Replacement Watercraft and Tender	●	✗	✗
Watercraft Signwriting	●	●	✗
Fishing Record	●	●	●
Mooring Fees	●	●	✗

	Comprehensive	Third Party, Fire and Theft	Third Party Property Only
<ul style="list-style-type: none"> <li>● Covered</li> <li>○ Optional cover</li> <li>✗ Not covered</li> </ul>			
Sea Rescue Donation	●	●	✗
Outboard Motor Refit	●	●	✗
Tender	●	●	✗
Counselling Services	●	●	●
Contents Upgrade	○	○	✗
Social Sailboat Racing	○	✗	✗

This product guide does not replace or vary our Policy Wording. Please read the entire Policy Wording for details of features and benefits.

This product is issued by:

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## Policy Wording

This Policy Wording has been designed to help you make an informed decision about our insurance product. It explains the product's features, benefits, conditions and exclusions, to help you to compare it to similar insurance products.

If you buy a policy from us, the cover you choose will be shown on your policy schedule.

Your contract with us is made up of the Policy Wording together with your most recent policy schedule and your application for insurance or renewal. However, some sections of this Policy Wording do not form part of your insurance contract. Where this is the case, it will be clearly indicated in the relevant section.

Please read all the information in this Policy Wording and your policy schedule carefully and contact us if you have any questions.

## Updates to this Policy Wording

We may make changes to the Policy Wording during your contract period that will not negatively affect your cover without notifying you. The updated information will be available on our website at [www.youi.co.nz](http://www.youi.co.nz).

## Our promise of cover

If you pay your premium by the due date/s and fulfil the conditions of your contract, we will provide you with cover for the contract period as shown on your most recent policy schedule, in accordance with the terms and conditions of this Policy Wording.

## Cooling off period

The cooling off period is the first 20 calendar days from:

- the policy start date (if you change the start date the cooling off period applies from the original start date); or
- the renewal date.

## Cancelling your policy

You may cancel your policy at any time during the cooling off period and we will refund your payment in full and waive the cancellation fee. This does not apply if a claim has been made under your policy. You may cancel your policy at any time after the cooling off period and we will refund the unused pro-rata portion of your premium.

To cancel your policy please call us on **0800 00 YOUI (9684)**. If you send us a written request to cancel your policy we will call you to ensure your interests and privacy are protected and to verify your cancellation request.

We may cancel your policy by giving you three business days written notice if you do not meet your responsibilities or as permitted by law. If we cancel your policy we will refund to you the unused pro-rata portion of your premium.

We may charge a cancellation fee of \$33.00 inclusive of GST if you cancel your policy after the cooling off period but before the end of the policy period.

## Premium

We decide how much premium to charge you based on commercial considerations and other reasons that we consider important, including but not limited to:

- the type and age of the watercraft and what it is used for;
- the address and security of where you normally park or moor the watercraft;
- the age/s of the operator/s;
- the value of any extra benefits included in your policy;
- your choice of payment method;
- your claims history;

- your previous insurance history; and
- administration costs, taxes and government charges.

Premium payment/s can be made by direct debit from your nominated bank account or credit card. We will debit the account on the date shown on the payment schedule on your Tax Invoice. If the payment date falls on a non-business day, we will debit your account on the next available business day.

If the premium is unpaid on the due date, we may resubmit the payment request within 14 calendar days. If any premium remains unpaid for a period of 14 calendar days or more, we may refuse to pay your claim and/or cancel your policy.

Youi's Premium Payment Guide contains important information about premium payment/s and is available at [www.youi.co.nz](http://www.youi.co.nz).

## Goods and services tax

All insured amounts shown in your policy are in New Zealand Dollars and include Goods and Services Tax (GST). When you claim under your policy with us, all amounts we pay will be inclusive of GST, up to the maximum claim amount shown in your policy.

## Fees and government charges

In addition to the premium, there are compulsory government taxes and charges which apply to our insurance products, which include GST, EQC premium, and insurance (stamp) duty. In some cases, we may also charge an emergency services/fire services levy.

These charges, levies and any other fees will be included in your quotation and on your policy documents.

## Your duty of disclosure

You have a duty of disclosure before you enter into the contract, during the contract period and on renewal of the contract.

Before you enter into or renew the contract, you must:

- answer any questions we ask you truthfully, accurately and completely;
- tell us any information that you know; and/or
- tell us any information that a reasonable person in your circumstances should know

that is relevant to our decision to insure you and on what terms, even if you think the information isn't important.

During the contract period, you must inform us of any changes to the information you provided previously or any change in the risk we covered. At any time, we may change the contract terms or cancel the contract in response to what you tell us.

If you do not tell us anything you are required to tell us, we may cancel your contract or reduce the amount we will pay you if you make a claim, or both.

If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed.

### Authorised persons or agents

Any person or agent you authorise to act on your behalf in relation to your policy is bound by your duty of disclosure. When answering any of our questions, the authorised person or agent is deemed to have the appropriate authority and knowledge to do so.

## Your responsibilities

Your responsibilities are important requirements that you must fulfil in order to be covered under your policy. If you do not fulfil any or all of your responsibilities, we may reduce or refuse your claim and/or cancel your policy as permitted by law.

### You must:

- **Provide factually correct information about other people covered on your policy.**

Where you provide information about other people while getting a quote, buying or amending a policy, you must ensure that the information is factually correct.

- **Check your policy immediately.**

Read and check your policy schedule carefully. If any information is incorrect or incomplete, please make all necessary changes immediately by calling **0800 00 YOU! (9684)**.

- **Make your premium payment/s.**

You must ensure that your first and any subsequent instalment premium payments are made by the due dates in order to be covered. If any payment remains unpaid, we may refuse to pay your claim or cancel your policy.

- **Notify us of any changes to your payment method.**

You must notify us immediately of any changes to your nominated bank account or credit card and supply us with alternative account details prior to the date of your next payment.

- **Provide proof of ownership.**

In the event of a claim, you must provide adequate proof of value and ownership of any insured property for which you claim. You should ensure that you obtain and keep regular written valuations for items of a unique nature such as jewellery, watches, paintings or works of art from qualified, experienced and reputable valuers. Valuations should include a full detailed description of the property that would assist us to replace the item if necessary.

- **Maintain a valid email address and telephone number.**

You must provide us with a valid email address and telephone number that you have regular access to and notify us of any change to the email address or telephone number during the course of the policy period.

- **Maintain the watercraft, tender and trailer.**

Throughout the duration of your policy, you must maintain the watercraft, tender and trailer to be in a safe operating condition and ensure that they are always seaworthy and roadworthy respectively. The watercraft, tender or trailer may no longer be in a safe operating condition, nor seaworthy and roadworthy respectively, immediately after an incident. It is important that you do not operate them if it is no longer safe to do so.

Where it is shown as a special condition on your policy schedule you must also have a valid marine survey that is less than 3 years old for the watercraft.

- **Check the following prior to giving any person permission to operate the watercraft or tender or tow the watercraft behind a vehicle:**

- Is their vehicle licence valid, suspended or cancelled?
- Is the operator legally required to have a licence to operate the watercraft or tender and if so, is the watercraft operator's licence valid, suspended or cancelled?
- Does the operator have any special conditions, restrictions or terms applied to their vehicle or watercraft licence that may limit their ability to legally operate or tow the watercraft or tender? Examples of these special conditions, restrictions or terms may include but are not limited to: a limit to the towing capacity of the car; learner's permit restrictions; certain hours of operation only e.g. daytime or night time; maximum speed and certain watercrafts deemed high-powered (performance) vessels by the relevant Government Department or Maritime Authority.

- **Notify us of all incidents within 30 calendar days.**

You must notify us of any incident involving the insured property within 30 calendar days of becoming aware of the incident. The details that must be provided to us include:

- the location, date and time of the incident;

- the particulars (name, address, phone number, registration number) of any third party that was involved in the incident, and
- a description of the circumstances surrounding the incident.

This requirement applies whether you intend to claim or not. Failure to do so may prejudice you in lodging a claim or may prejudice us in defending a claim against you from a third party.

## Renewing your policy

Before your policy expires we will review your policy, payment/s and claim/s and will send you a renewal invitation or an expiry notice.

**If you receive a renewal invitation from us** you must check all the details recorded and tell us immediately about any changes to the information you have provided us when you took out your policy and any changes that have occurred during the term of your policy, including but not limited to changes to the insured property, the address where the insured property is kept, the people covered by your policy and anything else that may affect your policy or our decision to accept the risk.

We will review your insured value as part of your renewal invitation and the updated amount will be noted on your policy schedule.

Any changes to your information may cause us to change our decision to offer renewal of your policy, or the terms on which we offer such renewal. If you do not tell us, we may refuse or reduce your claim and/or cancel your policy as permitted by law.

To make changes to any of your details, please call us on **0800 00 YOU! (9684)** before the renewal date shown on your renewal invitation.

If we send you a renewal invitation, we will automatically renew your policy on the terms specified in that invitation and continue to debit the applicable premium from the payment account you gave us, unless you contact us and advise us not to renew your policy.

**If you receive an expiry notice from us** we will advise you of the time and day your cover will expire.

## Fraudulent or dishonest claims

To keep our premiums competitive, we have a responsibility to all our customers to ensure that fraudulent or dishonest claims are not paid. We would never want to have to do this, however if you or any person acting on your behalf submits to us a claim or any information or documentation relating to a claim, which is in any way fraudulent or dishonest, we may refuse to pay the entire claim and cancel your policy as permitted by law.

If we refuse your claim for fraud or dishonesty, you agree to reimburse us for all costs we have incurred in connection with your claim, including investigatory and legal costs.

## Fair insurance code

We subscribe to the principles of the Fair Insurance Code (“the Code”).

Should you require more information or a copy of the Code contact the Insurance Council of New Zealand on 04 472 5230, visit their website on [www.icnz.org.nz](http://www.icnz.org.nz) or contact us.

As part of the Code and our commitment to you, if you are not completely happy with this product or our service please tell us about it. The Code does not form part of your contract of insurance.

## What do these words mean?

**Accessories** means extra items added to the watercraft before it was delivered new to its first owner, as well as items added to the watercraft by anyone at any time after it was delivered new to its first owner.

**Accident / accidental / accidentally** means an unforeseen, unintended, and unexpected event, which occurs suddenly and at a specific place and time.

**Business use** means a watercraft that is used as an essential part of any work or business, or that is used for hire, charter or to generate income or reward.

**Competent observer** means a person who meets the relevant local authority's requirements to accompany the operator and warn of any hazards to any person or object being towed by the watercraft.

**Comprehensive cover** means the watercraft on the policy schedule is covered for the events listed under Insured Events and, where relevant, also under Extra Cover. Events under Optional Cover are covered if you selected them and they are noted on your policy schedule.

**Contents** means the personal possessions that belong to you or members of your household, which are securely stored in your watercraft but not permanently fixed to it. Contents include fishing and diving equipment, clothing, unfixed furniture, food, portable cooking appliances, refrigerators, fish finders, depth sounders and portable navigation equipment.

### Contents exclude:

- jewellery and watches;
- portable electronic equipment, cameras or mobile phones;
- cash or other negotiables;
- credit, debit or other bank cards;
- spare parts;
- fuel;
- moorings;
- tools of trade.

**Contract period** means the period, including the time and date, from the start or renewal of your policy to its expiry.

**Earthquake** means an earthquake, natural landslip, volcanic eruption, hydrothermal activity or tsunami.

**Excess** means the first amount you must pay in relation to each and every claim made under your policy.

**Flood** means the covering of normally dry land by water that has escaped or been released from the normal confines of any of the following:

- a lake (whether or not it has been altered or modified);
- a river (whether or not it has been altered or modified);
- a creek (whether or not it has been altered or modified);
- another watercourse (whether or not it has been altered or modified);
- a reservoir;
- a canal;
- a dam.

**Geographic limits** means within 200 nautical miles of New Zealand.

**Household member** means any person who normally lives with the policyholder or syndicate owner.

**Hull** means the cabin, deck, solar panels, canopies, paddles, oars, fuel tanks, inboard motors and their associated parts, built in electronic and safety equipment, as well as furnishings, equipment and tools which were supplied as original equipment or their similar replacements.

**Incident** means an unforeseen, unintended, and unexpected event, which occurs suddenly and at a specific place and time.

**Insured event** means an event for which you can make a claim under your policy.

**Insured value** means the maximum amount/s we agree to cover the insured property for. The amount/s and the details of the insured property are noted on your policy schedule and is the most we will pay if you claim for an insured event. For more information see Insured Value and What if you need to claim? in this document.



**Leaving the scene of an accident without lawful excuse** means not remaining at an accident scene, where the law requires you to remain, until your duties at that location are complete or there is a valid reason for leaving.

These duties generally include but are not limited to the following:

- obtaining details of all parties involved;
- checking if any person is injured;
- checking if damage has occurred to private or public property; or
- contact police.

You should check the relevant requirements with the police.

**Marine survey** means a report from a marine surveyor on the overall condition of the watercraft. This survey covers the seaworthiness and the general state of order and repair of the watercraft.

**Market value** means the reasonable and expected cost of replacing the watercraft with a watercraft of the same or a similar make, model, operated hours and condition before an insured event for which you claim. Market value does not include any warranty costs, future stamp duty, transfer fees or allowance for dealer profit.

**Mooring** means a permanent, registered structure used for securing a watercraft. It does not include an anchor.

**No-fault accident** means when the watercraft and/or trailer is involved in an accident with another party and we agree that the other party was completely to blame, and you provide us with the name, residential address, contact phone number and registration number of the other party. If you and another party were both to blame, the accident will be recorded as your fault.

**Operate / operating / operated** means the use or operation of the watercraft or tender, including the use or operation of any part of the watercraft or the vehicle used to tow the watercraft.

**Operator** means the person using or operating the watercraft or tender or the vehicle used to tow the watercraft, or the person legally responsible for its use or operation.

**Outboard motor** means a detachable motor (including the harness, gauges, wiring, cables and controls) which is fixed to the exterior of the hull. This excludes the tender motor.

**Personal Watercraft (PWC)** means a craft propelled by an inboard motor powering a water jet pump such as a jet ski. The operator stands, sits or kneels on the vessel and uses handle bars to steer the craft.

**Policyholder** means the person and any syndicate owner/s named on the policy schedule.

**Private use** means a watercraft that is used solely for social, domestic, pleasure purposes and for voluntary rescue work.

**Registered** means that the watercraft or trailer is registered or licensed in New Zealand for use on a waterway or public road.

**Reparation** means the penalty and sentence imposed by a court in accordance with the Sentencing Act 2002 (NZ).

**Roadworthy condition** means that the trailer used to tow the watercraft complies with the roadworthy requirements of New Zealand.

**Salvage** means the action of recovering the watercraft or trailer.

**Seaworthy condition** means that the watercraft is in good working order for safe and efficient operation in the manner it was designed for and, where relevant, that it complies with the requirements that it complies with the requirements of New Zealand.

**Social sailboat racing** means racing which does not include the use of spinnakers and/or extras, and does not exceed a total distance of 50 nautical miles.

**Storm** means a violent atmospheric event which includes a thunderstorm, cyclone, or strong wind with or without rain, hail or snow, but not rain showers alone.

**Substitute watercraft** means a loan watercraft of similar type and used for similar purposes that is provided free of charge by the service provider whilst the watercraft is out of order due to it being serviced or repaired. A hired or rented watercraft is not a substitute watercraft.

**Syndicate owner** means any person noted on your policy schedule that has a part share in the insured property.

**Tender** means the vessel, including its motor, which is towed by or stored on the watercraft which is not independently registered and is used as transportation to the watercraft or as an emergency lifeboat. A personal watercraft is not a tender.

**Third party** means any person involved in an accident with the watercraft, tender or trailer, excluding the operator or passenger of the watercraft or the car towing the watercraft.

**Third Party Property Only cover** means the watercraft, tender or trailer on the policy schedule is covered for damage to other property as defined under Extra Cover: Legal Liability. This cover excludes damage caused to the watercraft, tender or trailer insured on this policy.

**Third Party, Fire and Theft cover** means cover for Third Party Property Only cover plus the Insured Events: Fire, Theft and Earthquake. It also includes Extra Cover for Towing, Salvage and Loss Prevention Costs and Emergency Accommodation, Transport and Repairs.

**Total loss** means when the insured property is damaged to the extent that we decide it is not economical or safe to repair, or it is stolen and not recovered.

**Trailer** means the trailer which is specifically designed and used to tow the watercraft in accordance with the relevant Government or Transport Authority regulations.

**Unregistered** means that the watercraft or trailer is not registered nor licensed in New Zealand for use on a waterway or public road.

**Watercraft** means the motorised or self-propelled vessel or personal watercraft (PWC) shown on your policy schedule, including its:

- hull;
- outboard motor(s);
- sails, masts, booms and rigging; and
- trailer.

**We / our / us** means Youi NZ Pty Limited.

**You / your / yours** means the policyholder/s, operator/s, employee/s and household member/s, syndicate owner/s or any person acting for the policyholder, business or for a household member.

## Insured value

### Watercraft

The insured value is made up of a number of components with amounts for the hull, and depending on the watercraft type, additional amounts for each of the following:

- outboard motor(s);
- sails, masts, booms and rigging; and
- trailer.

You should select an amount which reflects the replacement cost of the respective item. These amounts will be noted on your policy schedule and are the most we will pay for repair or replacement of any respective component except where we are paying a claim for New Watercraft Replacement.

### Contents

Contents are covered for their replacement value up to \$150 per item to a total of \$750 as described in Extra Cover: Contents.

If you have chosen the Optional Cover: Contents Upgrade, this cover replaces the Extra Cover and you should select an insured value which reflects the total replacement value of the contents of your watercraft, tender or trailer. This amount will be noted on your policy schedule. Your contents will then be covered for their replacement value up to \$1,000 per item or the insured value, whichever is the lesser.

For more information see What if you need to claim? in this document.

## Insured events

### 1. Accidental Damage

#### What is covered?

Under Comprehensive cover, accidental damage caused to the insured property.

#### What is not covered?

Third Party, Fire and Theft or Third Party Property Only cover.

### 2. Intentional Damage

#### What is covered?

Under Comprehensive cover, damage to the insured property caused intentionally.

#### What is not covered?

Intentional damage caused by you or any person:

- living at your address or the address where the watercraft or tender is normally moored or stored;
- who has been given permission by you to operate the watercraft or tender; or
- acting with your consent.

Third Party Fire and Theft or Third Party Property Only cover.

### 3. Storm or Flood

#### What is covered?

Under Comprehensive cover, damage to the insured property caused by storm or flood.

#### What is not covered?

Third Party, Fire and Theft or Third Party Property Only cover.

### 4. Fire

#### What is covered?

Under Comprehensive or Third Party, Fire and Theft cover, damage to the insured property caused by fire.

#### What is not covered?

Third Party Property Only cover.

### 5. Theft

#### What is covered?

Under Comprehensive or Third Party Fire and Theft cover, theft, or damage caused by attempted theft of the insured property.

#### What is not covered?

Third Party Property Only cover.

Theft or attempted theft if:

- the keys were left in the ignition of the watercraft or tender;
- the ignition keys were left near the watercraft or tender whilst unattended by you;
- you show or advertise the insured property for sale and do not take reasonable precautions to prevent its theft or damage;
- you give the watercraft or tender to any person to sell for you or on your behalf;
- the outboard motor was not in a secure, lockable storage area when it is not secured to the hull and there are no visible signs of forced entry to that storage area; or
- the contents were stolen from the watercraft, tender or trailer or a secured compartment permanently fixed to the watercraft, tender or trailer and there are no visible signs of forced entry.

### 6. Earthquake

#### What is covered?

Under Comprehensive or Third Party Fire and Theft cover, damage to the insured property caused by earthquake.

#### What is not covered?

Third Party Property Only cover.

## Extra cover

The Extra Cover listed below is automatically included in your policy and, where applicable, the most we will pay for each claim is noted.

### 1. Emergency Accommodation, Transport and Repairs

#### What is covered?

Under Comprehensive or Third Party, Fire and Theft cover, we pay for the reasonable cost of emergency accommodation, transport or storage, or emergency repairs to the watercraft, tender or trailer, after an insured event which occurred more than 100 kilometres from the place where it is usually kept, and where you could no longer safely use the watercraft, tender or trailer. You should arrange the emergency accommodation, transport or repairs and if a claim is accepted under this section, we will reimburse you for reasonable costs incurred.

The most we will pay for each claim, before excess, is \$1,000.

#### What is not covered?

Third Party Property Only cover.

### 2. Legal Liability and Reparation

#### What is covered?

Up to \$10,000,000 for your legal liability to pay:

- civil compensation for damages arising from an accident involving the watercraft, tender or trailer, which occurs in New Zealand during the contract period that results in death or bodily injury of a third party, or in third party property damage. This includes your reasonable legal and defence costs; and/or
- reparation to a victim who has suffered accidental loss or damage of property, bodily injury, or death as a result of you committing an offence in New Zealand during the contract period, provided you tell us immediately if you were charged with an offence in connection with the use of the watercraft, tender or trailer and we approve any offer of reparation; and/or
- damages arising from pollution caused by oil, fuel or waste from the watercraft or tender as a result of an insured event.

The most we will pay for your legal liability:

- arising from accidental death or bodily injury of a third party is \$1,000,000; and
- for damages arising from pollution is \$250,000.

The most we will pay under this section for any one accident or series of accidents is \$10,000,000.

If we have accepted a claim for the insured watercraft or tender and a substitute has been provided, we will extend your legal liability cover to the substitute for up to 14 days while it is in your possession.

#### What is not covered?

Damage to:

- property you own or are responsible for;
- property that belongs to a household member; or
- the watercraft, trailer, or tender causing the third party property damage, or the substitute watercraft or tender.

Any claim for legal liability:

- arising from any accident where the operator did not have permission to operate the watercraft or tender;
- arising from the watercraft or tender where it is not seaworthy;
- arising from the death or bodily injury of you or to any household member; or
- which is covered by any other insurance policy.

Any amounts that are covered under the Accident Compensation Act 2001 ("the Act"), or would be covered but for:

- a failure by the victim to correctly notify a claim to the Accident Compensation Corporation within the time required under the Act; or
- the victim's decision, for whatever reason, not to claim any amount he or she would be entitled to claim under the Act; or

- a decision by the Accident Compensation Corporation to decline a claim or limit its liability in whole or in part and for any reason whatsoever.

Any legal defence costs, court costs, or levies arising from the prosecution of any offence and/or any order to pay reparation under any New Zealand laws, by-laws and regulations.

### 3. Towing, Salvage and Loss Prevention

#### What is covered?

Under Comprehensive or Third Party Fire and Theft cover, we will pay the reasonable cost of salvaging the watercraft or tender wreck, as well as towing and storage of the watercraft or tender to a suitable place for safekeeping nearest to the incident location after an insured event. We will also pay the reasonable cost incurred to prevent or minimise further loss or damage to the insured property.

The most we will pay for each claim is \$25,000.

#### What is not covered?

Third Party Property Only cover.

### 4. Locks and Keys

#### What is covered?

Under Comprehensive or Third Party Fire and Theft cover, if the watercraft or tender keys are stolen, we will cover the cost of replacing the keys and recoding the locks.

The most we will pay for each claim, before excess, is \$1,000.

#### What is not covered?

Theft of the keys by anyone:

- living at the address where the watercraft or tender is normally kept;
- who has been given permission by you to use the watercraft or tender; or
- acting with your consent.

Third Party Property Only cover.

### 5. Contents

#### What is covered?

Under Comprehensive or Third Party, Fire and Theft cover, we will pay for the contents inside the watercraft, tender or trailer if they are:

- damaged as a result of an insured event (other than theft) which also causes damage to the watercraft, tender or trailer; or
- stolen while stored in a secured storage cabin or compartment on the watercraft, tender or trailer.

The most we will pay for each item is \$150.

The most we will pay for each claim, after excess is \$750.

#### What is not covered?

Third Party Property Only cover.

Theft of contents unless there are visible signs of forced entry to the locked compartment or cabin where they were stored.

Loss or damage to any contents items which are specifically covered on another policy.

This cover does not apply if you have selected Optional Cover: Contents Upgrade.

### 6. Immediate Replacement Watercraft or Tender

#### What is covered?

Under Comprehensive cover, if the watercraft or tender is traded in during the course of purchasing another one, the replacement watercraft or tender is covered for up to 14 days after its purchase. This benefit only applies to replacement watercraft where the purchase price is under \$75,000 and replacement tender where the purchase price is under \$3,000.

At the time you take possession of the replacement watercraft or tender, cover for the one that was traded in ceases immediately.

You must tell us about the replacement watercraft within 14 days of purchase and your policy schedule must be updated with the details of the replacement watercraft in order to continue cover.

An additional excess of \$1,000 will be payable should you make a claim during the 14 days after the purchase of the replacement watercraft if you have not informed us of the replacement watercraft. This excess will apply in addition to any other excesses that would normally apply to the claim.

When you inform us of the replacement watercraft, our standard underwriting guidelines will apply and an additional premium may be payable. In a limited number of circumstances we may not be able to provide continued cover for the replacement watercraft.

#### What is not covered?

Third Party, Fire and Theft or Third Party Property Only cover.

### 7. Watercraft Signwriting

#### What is covered?

Under Comprehensive or Third Party Fire and Theft cover, we will pay up to \$500 for replacement of the watercraft's damaged signwriting where a claim is accepted for loss or damage to the watercraft as a result of an insured event.

#### What is not covered?

Third Party Property Only cover.

### 8. Fishing Record

#### What is covered?

If within the contract period, you set a new NZSFC (New Zealand Sportfishing Council [www.nzsportfishing.org.nz](http://www.nzsportfishing.org.nz)) record we will pay you \$200. Proof of the record is required. No excess is applied to a claim under this benefit.

### 9. Mooring Fees

#### What is covered?

Under Comprehensive or Third Party Fire and Theft cover, we will pay for the costs you incur for cancellation or re-booking mooring fees where a claim is accepted for loss or damage to the watercraft, tender or trailer caused by an insured event.

The most we will pay for each claim is the lesser of the actual fees charged or \$1,000.

The most we will pay in the contract period is \$2,000 in total across all incidents that you can claim for.

#### What is not covered?

Any refundable amounts due to you from the mooring site.

Cancellation and re-booking fees where you are not claiming for loss of or damage to the watercraft, tender or trailer.

Third Party Property Only cover.

### 10. Sea Rescue Donation

#### What is covered?

Under Comprehensive or Third Party Fire and Theft cover, if we accept a claim for damage to the watercraft or tender and agree to repair it or decide that it is a total loss, we will donate \$500 to the helicopter or coast guard rescue service that rescued you from the stranded watercraft or tender.

#### What is not covered?

Third Party Property Only cover.

### 11. Outboard Motor Refit

#### What is covered?

Under Comprehensive or Third Party, Fire and Theft cover, the reasonable cost for the removal and re-fitting of the outboard motor where:

- we accept a claim for the total loss of the outboard motor but not the total loss of the hull; or
- we accept a claim for the total loss of the hull but not the total loss of the outboard motor.

The most we will pay is 10% of the outboard motor sum insured.

**What is not covered?**

The removal and re-fitting of the outboard motor where we accept a claim for the total loss of both the outboard motor and the hull in relation to the same incident.

**12. Tender****What is covered?**

Under Comprehensive or Third Party Fire and Theft cover, loss or damage to your tender, including its motor, as a result of an insured event. The maximum you can claim is \$3,000 before excess.

**What is not covered?**

A registered tender.

**13. Counselling Services****What is covered?**

The reasonable costs for counselling sessions with an accredited counsellor, after an event where a claim has been accepted for loss or damage to the watercraft or in relation to your Legal Liability. You should arrange the counselling sessions and if a claim is accepted under this section, we will reimburse you for reasonable costs incurred.

The most we will pay for each claim is \$1,500 per household member.

**What is not covered?**

- counselling sessions for any person who is not a household member;
- counselling that commences more than 6 months from when the incident occurred;
- any claim that is recoverable from either a Government Accident scheme or public health care benefit; or from any Private Health Insurance policy; or
- additional costs incurred by attending counselling sessions, including but not limited to transport and parking costs.

**Optional cover**

If you select any of the options below, the details will be noted on your policy schedule and you will be charged an additional premium.

**1. Contents Upgrade****What is covered?**

Under Comprehensive or Third Party, Fire and Theft cover, we will pay for the contents inside the watercraft, tender or trailer if they are:

- damaged as a result of an insured event (other than theft) which also causes damage to the watercraft, tender or trailer containing the damaged contents; or
- stolen while stored in a secured storage cabin or compartment on the watercraft, tender or trailer.

The most we will pay for each item is the lesser of its replacement cost or \$1,000.

The most we will pay for each claim, after excess, is the amount noted on your policy schedule.

When selected, this cover replaces Extra Cover: Contents. These amounts are not in addition to the Extra Cover: Contents amounts.

**What is not covered?**

Third Party Property Only cover.

Theft of contents unless there are visible signs of forced entry to the compartment or cabin where they were stored.

Loss or damage to any contents items which are specifically covered on another policy.

**2. Social Sailboat Racing****What is covered?**

Under Comprehensive cover, we will pay for loss or damage to the watercraft which occurs as a result of an insured event while it is being used in a social sailing race with a total distance no more than 50 nautical miles.

### What is not covered?

Loss or damage to sails and rigging caused by:

- wind, capsizing or waves unless there is also structural damage to the watercraft;
- people accidentally damaging them.

Competition sailboat racing.

Third Party, Fire and Theft cover.

Third Party Property Only cover.

## Exclusions

### General exclusions

General exclusions apply to all sections of your policy and describe circumstances where your policy will not provide cover for any loss, damage or liability arising directly or indirectly from any cause noted below.

#### We will not pay for:

1. loss or damage to any illegal property or item, including but not limited to counterfeit or reproduced goods;
2. loss or damage to any insured property as a result of theft or attempted theft by deception. When selling any insured property, you must ensure that you have confirmation from your bank that valid and legal payment for the sale has been made before handing over the property to any prospective buyer;
3. loss or damage to any property more specifically insured elsewhere;
4. personal injury incurred in New Zealand for which Accident Compensation Corporation benefits are or would be payable in accordance with the Accident Compensation Act 2001 or any succeeding legislation to those Acts; or
5. any loss, damage or legal liability where cover is provided to any extent by any other insurance policy. We will not contribute towards any claim made under any other policy.

We will not pay for loss, damage or legal liability caused directly or indirectly by:

6. any event that occurred before your cover started with us or after it ended;
7. you admitting liability or agreeing or contracting to any liability that would not have existed otherwise at law;
8. the intentional or deliberate acts or omissions of you or any person covered under your policy, or by any person acting for you or acting for any person covered under your policy;
9. any illegal activity, or while your property is being used for any illegal activity, by you or any person acting on your behalf;



10. fines, penalties or aggravated or exemplary damages;
11. legal repossession or confiscation or lawful destruction of any insured item or property;
12. a judgment or order of a court or tribunal outside New Zealand;
13. any event that occurred outside the Geographic Limits of the policy unless:
  - it was as a result of circumstances beyond the reasonable control of the operator; or
  - it was as a result of responding to an unforeseen emergency; and
  - the watercraft returned within the geographic limits as soon as it was safe to do so (unless there was a total loss);
14. wear and tear, rust, corrosion or deterioration;
15. mould, rot, damp or the effects of the climate or weather;
16. a process or system of cleaning, restoring, modifying or repairing any insured property;
17. mechanical, electrical or electronic (including computer software) breakdown or failure;
18. poor or faulty design specification, materials, plan or workmanship;
19. asbestos;
20. any radioactivity, nuclear fuel, waste or other nuclear material, nuclear weapon, detonation or explosion;
21. military power, rebellion, revolution, terrorism, war or war-like activities, whether war is declared or not; or
22. looting, rioting or civil commotion.

## Watercraft cover exclusions

Watercraft cover exclusions apply to all sections of your policy and describe circumstances where your policy will not provide cover for any loss, damage or liability arising directly or indirectly from any cause noted below.

### We will not pay for:

1. repair of any damage that existed prior to the start date of the policy;
2. loss of value or depreciation of the watercraft;
3. loss of use or any other financial loss arising from or consequential to an insured event;
4. that part of any repair or replacement we perform which improves the watercraft beyond its original condition before the loss;
5. damage to sails and protective covers caused by wind unless the same insured event also caused damage to the masts, booms, rigging or hull;
6. loss or damage as a result of marine growth, seepage of water which permeates the surface of the hull (osmosis) or stray electrical currents (electrolysis);
7. loss or damage to moorings;
8. damage to road or other surfaces, caused by the normal use of the watercraft, tender or trailer; or
9. legal liability caused directly or indirectly from the use of diving equipment.

### We will not pay for any loss, damage or legal liability caused directly or indirectly:

10. by flood, storm or bushfire during the first 72 hours of your policy commencing or where you have increased your existing insurance cover, unless:
  - you had another policy that expired immediately before the start of your policy with us and there was no break or change in the level or type of cover; or
  - you bought the watercraft on the same day your policy with us started;

11. when the watercraft or tender is being operated by a person who did not have your permission to do so, unless it was stolen and reported to the police within 24 hours of you becoming aware of the incident and you provide us with a police incident number;
12. by the watercraft or tender to property owned by or in the legal care of your household members, operators listed on your policy schedule, or any person covered by your policy except where the property is a building that you are renting with a written rental agreement in place and you are not responsible for insuring the building;
13. when the watercraft or tender is being operated by you or a person who does not have a valid licence of the correct type and class to operate it, or who did not observe the terms of their licence;
14. when the car towing the watercraft is being driven or the watercraft is being operated by a person who:
  - is under the influence of alcohol and/or a drug and/or any other intoxicating substance;
  - has a blood alcohol level higher than the legal limit;
  - refuses to supply a blood, breath or saliva sample when required to do so by law; or
  - fails a drug test administered by the police service or other lawful authority;
15. if the driver of the vehicle towing the watercraft leaves the scene of an accident without lawful excuse;
16. when the watercraft is being towed by a vehicle or under conditions which breach Government rules and regulations;
17. when the watercraft or tender is being used for transporting dangerous, hazardous or poisonous materials;
18. when the watercraft or tender is being used for racing, speed trials or contests unless it is a sailboat and you have selected the Social Sailboat Racing Cover and it is shown on your policy schedule;
19. when the watercraft or tender is being used in a reckless manner;
20. when the watercraft, tender or trailer is being used while it is overloaded, unsafe or not meeting Government rules and regulations regarding the correct use of a watercraft, tender or trailer;
21. when the watercraft was unregistered and being used at the time of the incident despite New Zealand laws requiring it to be registered for use;
22. when the watercraft or tender was unseaworthy and being used on the water at the time of the incident despite New Zealand laws requiring it to be in a seaworthy condition for use;
23. when the watercraft or tender is being used in a manner or under conditions inappropriate for the type of watercraft, or which are outside the manufacturer's specifications or recommendations;
24. as a result of the watercraft being left unattended using solely an anchor to hold its position for a period exceeding 5 days;
25. by the use or application of watercraft or tender parts or accessories which are not recommended or specified by the manufacturer;
26. as a result of a motor which is fitted to the watercraft or tender in a manner outside the specifications of the hull manufacturer or which exceeds the maximum power specified by the hull manufacturer;
27. when your watercraft or tender is being used for business use;
28. as a result of the watercraft or tender using a mooring that is not:
  - registered;
  - a suitable design and weighting;
  - appropriately sited; and
  - regularly maintained on at least an annual basis and in good order;
29. by the failure to properly replace and/or secure fuel, oil and other caps or lids fitted to the watercraft or tender;
30. by the use, or accidental addition by any person, of incorrect lubricants, fuel, oil or other fluids, which are not recommended or specified by the manufacturer;
31. by liquids escaping from the watercraft or tender, unless it was involved in an accident, immediately before which gave rise to the escape; or
32. from pollution or contamination by any substance unless it is specifically noted as being covered elsewhere in this Policy Wording.

## What if you need to claim?

When you claim, it can only relate to one incident and you cannot include multiple incidents in one claim. If there is more than one incident, a separate claim will need to be submitted and the relevant excess/es will apply to each and every claim.

We would never want to reduce or refuse your claim and/or cancel your policy as permitted by law, however we may do so if you do not fulfil the following responsibilities:

1. take all reasonable precautions to prevent or reduce loss or damage to any insured property, even after an insured event;
2. allow us to view any damaged goods or property that you are claiming for. You must not repair, sell or dispose of any property prior to advising us of the damage and allowing us the opportunity to assess the damage. This includes providing us the opportunity to assess unsatisfactory repairs that need to be rectified, unless emergency repairs are required to prevent further loss or damage to the insured property;
3. make a report to the police within 24 hours of you becoming aware of the incident and obtain an incident number from them if:
  - any insured property was lost or damaged by theft, attempted theft, malicious or intentional damage;
  - you were involved in an incident for which the law requires you to do so;
4. not leave the scene of an accident until you are lawfully allowed to do so. This includes, but is not limited to, any accident which caused personal injury or where public or private property was damaged;
5. not admit liability or blame, nor offer to pay for any damages caused by any incident;
6. immediately send us copies of any demand or claim you receive arising out of any incident;
7. advise us if any person involved in an incident is charged by the police arising out of that incident;
8. notify us if you have any other policy of insurance, warranty or guarantee which provides you with cover or indemnity for a claim you have made under your policy;
9. assist us in taking or defending legal action in your name, including providing statements to legal representatives and appearance at trial or any other court proceedings;
10. give us your full co-operation and comply with all our reasonable requests in relation to your claim, including but not limited to:
  - supplying all information completely, truthfully and honestly about:
    - the incident giving rise to the claim; and
    - you or anyone else covered under your policy;
  - providing assistance needed to recover our costs from other parties;
  - within a reasonable timeframe of our request, providing any information, written statements, evidence and help we may need in defending, prosecuting and investigating the claim. Such information may include, but is not limited to:
    - a copy of your driving and watercraft operating history from the relevant transport authority;
    - a copy of your insurance claims history from your previous insurers;
    - a copy of a marine survey that is less than 3 years old for the watercraft where it is shown as a special condition on your policy schedule;
  - attending an interview with our assessor;
  - assisting any agents appointed by us (such as solicitors); and
  - attending court to give evidence;
11. at our discretion, deliver to us any damaged or destroyed goods or items, including items left over from a set or pair of items for which we have paid your claim. These items become our legal property and you will comply with our reasonable request to transfer legal ownership;
12. pay for some of the costs, up to an amount we decide, if we repair or replace your insured property and where the repair or replacement results in the insured property being in a better condition than it was before the loss;

13. complete all repairs or replacements to the insured property within a reasonable period after we accept your claim. All repairs or replacements must be fully completed within six months from the date of acceptance.

**If you claim under your policy, we have the choice to settle your claim in many ways.**

1. We can settle your claim by:
  - paying for the reasonable cost of repairs;
  - paying you an amount equal to the reasonable cost of repairs;
  - paying you the lesser of the market value or the insured value shown on your policy schedule;
  - replacing the insured property; or
  - any combination of the above where you are claiming for more than one component.
2. At our option, pay in full any sum owed to a financier or legal owner of the watercraft, from any settlement.
3. At our option, authorise the use of any combination of original manufacturer, used or replacement parts, in the repair of the watercraft.
4. Commence or defend legal action in your name and recover our costs from a third party.
5. Keep your damaged watercraft, tender and/or trailer, inclusive of the unexpired portion of their registration fees, if you claim for the total insured value of the watercraft and/or trailer.

## Joint insureds

Where we are indemnifying more than one person insured by this policy in respect of an accident under General Liability or Watersports Liability cover, the most we will pay in total for all persons claiming under this policy is \$10,000,000.

## Matching materials

We will always try to match colours and materials, but where products are unavailable we will use the closest possible match that is available. Additional costs resulting from the unavailability of matching materials are not covered.

Whether we settle your claim by replacing or repairing, it will only be for the damaged areas of the watercraft or tender. We will not pay for the costs to replace or repair undamaged areas. We may agree to pay you what it would cost us to repair or replace the damaged areas or contents and you can pay the balance of the cost.

## Quality guarantee

If we choose and authorise repairs with a repairer, we will guarantee the quality of those repairs for as long as you are the owner of the insured property.

## Choice of repairer

If your claim is accepted and your damaged insured property can be repaired, at our option, we will arrange repairs with a repairer who is acceptable to us.

Wherever possible, we will offer you a choice of repairer from our network of recommended repairers.

You may choose another repairer, however we may not authorise repairs. If we do not authorise repairs we will pay you the fair and reasonable cost of repairs as determined by us, considering a number of factors, including comparison quotes from an alternate repairer we choose. Our quality guarantee does not apply to repairs that we have not authorised.

If you decide to choose another repairer, they must be appropriately licensed and authorised by law to conduct the required repairs.

## Parts used in repair

We may use any combination of original manufacturer, used or replacement parts, in the repair of the watercraft.

Where parts are not available in New Zealand and require importation, we will pay for the cost of surface freight only.

Where parts are unavailable and the repair cannot be completed, we will pay you the listed price of the part or parts in question, as at the date of settlement.

## New watercraft replacement

The watercraft includes the following, each requiring a separate insured value:

- hull;
- outboard motor(s);
- sails, masts, booms and rigging; and
- trailer.

Under Comprehensive or Third Party Fire and Theft cover, if the watercraft is assessed by us as a total loss, we may choose to either:

- replace it (subject to availability); or
- pay the replacement cost of a new one

if the watercraft was bought new and documented in your name as the first owner within 24 months before the incident.

The replacement or its cash-equivalent will be based on a new watercraft with a make and specification as close as possible to the insured watercraft.

Where the cost to us to replace your watercraft exceeds your insured value we will pay up to an additional 20% of the insured value.

The watercraft replacement and cash-equivalent options do not apply to any parts of the watercraft that were:

- not listed with separate insured value/s as required;

- bought new and documented in your name as the first owner more than 24 months before the incident;
- lost or damaged in the same incident and which can be used on a similar watercraft.

## Excess

For each and every claim you make under your policy you are required to pay an excess. Your excess may be the combined total of the basic excess amount and additional excesses.

If you have more than one Youi policy, you will only pay one excess if you claim from more than one policy for the same incident. The incident for which you claim must arise out of a single event which occurs at the same place and time. The single excess payable is the highest excess amount noted on the relevant policies.

- **Basic excess**

The basic excess is the amount you must pay in relation to each and every claim made under your policy. We may offer you the option of selecting the amount of your basic excess. The basic excess will be shown on your policy schedule.

Where the event is completely the fault of a third party that you can identify, we can locate and whose liability can be established, we may waive payment of the basic excess.

- **Additional excess**

We may require an additional excess to be paid in certain circumstances under your policy. The exact situations where this would apply and the amount of the additional excess will be shown on your policy schedule.

In the event of a claim being made under circumstances as detailed on your policy schedule, this excess would apply in addition to any other excesses that would normally apply to the claim. This excess may still apply even though the basic excess has been waived.

## What if I have a complaint?

We welcome any feedback you may have about our products or services. If you have a compliment or complaint, please contact us (our details are on page 4 and the back cover of this Policy Wording). We will attempt to resolve your complaint within ten (10) business days of the date on which we have all the information we need to determine your complaint. You may also refer the matter to our Internal Dispute Resolution service by emailing [disputes@youi.com](mailto:disputes@youi.com).

If you are not satisfied with the outcome of our internal review, or you remain dissatisfied with our internal dispute process after two (2) months, we will explain our reasons to you in writing and provide you with a 'deadlock' letter so you can take your complaint to Insurance and Financial Services Ombudsman (IFSO). IFSO is an independent entity which provides a free service for resolving disputes between insurers and their customers. Information about IFSO, and the types of disputes that it can consider, can be found at its website: [ifso.nz](http://ifso.nz).

IFSO can be contacted by email at [info@ifso.nz](mailto:info@ifso.nz) or at PO 10-845, Wellington 6143 or by phoning 0800 888 202.



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